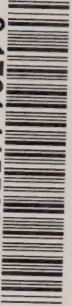


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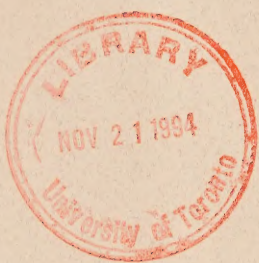
**FOOD SECURITY IN NORTHERN CANADA:**

**A DISCUSSION PAPER ON THE FUTURE OF THE  
NORTHERN AIR STAGE PROGRAM**

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Published under the authority of the  
Honourable Ronald A. Irwin, P.C., M.P.  
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## PREFACE

This paper is about the Northern Air Stage Program, a payment by the Department of Indian Affairs and Northern Development (DIAND) to Canada Post Corporation which covers between 50 and 60 percent of the cost of sending commercial parcels to isolated communities in northern Canada. Canada Post recovers the balance of its direct costs through postage revenue collected from commercial customers using this service. About 80 percent of the DIAND funding is applied to parcels containing nutritious perishable food. Although the remainder applies both to non-perishable food and non-food items, the program is commonly referred to as the "food mail" program. For convenience, this informal term is used extensively in this paper. Tobacco, alcohol and foods of little nutritional value are not eligible for this program.

Since 1991, major changes have been made in how this program works. The effects of these changes on food prices and nutrition have been closely monitored. In April 1994, the government decided to continue this program for another year at a funding level of up to \$14.1 million. This amount is expected to be sufficient to maintain current postage rates until April 1995. Before making longer-term decisions about this program, however, the government wishes to consult all key stakeholders – merchants, air carriers, northern residents, provincial and territorial governments, Aboriginal organizations, consumers' organizations and any others with a direct interest in this program – to hear views on whether a transportation subsidy delivered through Canada Post is the best way of ensuring that Northerners can meet their needs for food and other essential goods which are currently shipped under this program.

In times of fiscal restraint, it is important that all options for meeting the basic foods needs of Northerners in the most effective and efficient ways be explored. The best approach may be to continue the program exactly as it is, to improve it, or to replace it with one or more alternative approaches. Stakeholders may wish to suggest or adopt other measures which would make this program more effective in achieving the underlying objective of improving health and nutrition. It may also be possible and desirable to transfer the food mail program, or a replacement program, to other levels of government or to one or more independent organizations.

Thinking about and discussing the future of this program is not a straightforward exercise, since it requires one to consider the responsibilities of governments, merchants, consumers and others in achieving the basic human need for food security in isolated northern Aboriginal and non-Aboriginal communities. Food security has been defined as a condition in which all people at all times have access to safe, nutritionally adequate and personally acceptable foods in a manner which maintains human dignity. Food security poses special challenges in northern Canada where high transportation and other operating costs, and in some cases the lack of effective competition, make southern food much more expensive than in the south. A basic nutritious diet which will meet the nutritional requirements for a family of four for one

week is typically in the \$250 to \$280 range in isolated communities in the Northwest Territories, about \$230 in northern Quebec and close to \$200 on the north coast of Labrador.


This paper is based partly on a three-volume technical report completed for DIAND by Judith Lawn and Neima Langner, entitled *Air Stage Subsidy Monitoring Program: Final Report; Volume 1, Food Price Survey; Volume 2, Food Consumption Survey; and Volume 3, Quebec Results*. Copies are available from the Public Enquiries Kiosk, Communications Branch, Department of Indian Affairs and Northern Development, Ottawa, Ontario K1A 0H4 (tel: 819-997-0380; fax: 819-953-3017) and in DIAND regional offices serving northern communities. Volume 3 is also available in French.



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# FOOD SECURITY IN NORTHERN CANADA

## BACKGROUND

The traditional diet in the Arctic and subarctic regions of northern Canada consisted of meat, fats, fish, berries and other products obtained from the land and sea. After regular contact with outsiders began, these products were supplemented by flour, lard, tea, sugar and other staples which arrived each summer on the sealift or barge and were purchased with proceeds from the sale of furs, occasional wage labour and, in more recent years, by transfer payments to individuals.

As people were settled into permanent communities and air service was extended north, the northern diet began to include more fresh fruit and vegetables, fresh dairy products and southern meats. The provision of food mail service by the Post Office, which began in the late 1960s, accelerated this trend, since the service was subsidized by Canadian taxpayers and cost consumers much less than it would have if regular commercial air cargo rates had been charged. People also developed a taste for soda pop, candy and other "junk food" from the south. Although country food remains important to the diet and culture of Aboriginal people, younger people depend more on food imported from the south than their parents.

When the government's intention to phase out the food mail program became apparent in 1989, forces were mobilized which led to a review of the program. The review, entitled *Food for the North*, was released in May 1991, when the government announced its decision to stabilize the funding at \$15 million per year and to provide a more efficient and equitable service by focusing the funding primarily on nutritious perishable food. Since October 1991, nutritious perishable food has received the most preferential rate, although most non-perishable food and non-food items are still eligible for shipment at higher rates. Foods of little nutritional value are no longer accepted for shipment on this system. Merchants or individuals must use commercial air cargo service, winter roads or seasonal marine service for the resupply of these items.

All isolated communities in northern Canada which do not have year-round surface transportation became eligible for food mail service in October 1991. This service had previously been restricted to northern Quebec, Ontario, Saskatchewan and the Baffin Region in the Northwest Territories (NWT).

The government also announced in 1991 that the differences between the postage rates charged for food shipments to the provinces and the territories would be eliminated. The rates for shipments to the NWT had traditionally been about three times as high as those in the northern parts of the provinces. These differences have gradually been reduced, particularly for perishable food. By July 1993, the rate for mailing nutritious perishable food from the relevant "food entry points" to all eligible communities in the provinces and the territories became the same, i.e. \$0.80 per kilogram plus \$0.75 per parcel. This compares



with rates in 1990 of about \$2.10 per kilogram in the NWT and between \$0.50 and \$0.65 per kilogram in the provinces. Rates for non-perishable food and non-food items were gradually increased in the provinces to \$1.00 per kilogram and have been maintained at their previous rate in the Territories.

Commercial air stage shipments are made to about 125 communities. At least 80 percent of the funding is spent on shipping nutritious perishable food to about 45 Inuit communities in the Northwest Territories, Northern Quebec and Labrador, with a total population of about 30,000. About 60 isolated Indian communities in the James Bay region of Quebec, Ontario, Manitoba, Saskatchewan and the Northwest Territories and 20 mainly non-Aboriginal communities in Labrador and the North Shore region of Quebec, with a total population of about 56,000, also benefit from the program. Some of these communities receive both food and non-food items, while others use the service only for non-food items. The equalization of provincial and territorial postage rates for perishable food and the extension of food mail service to additional regions since 1991 has shifted the funding north to the highest-cost communities. By 1993-1994, the Northwest Territories accounted for about half the funding, compared with only about one quarter in 1988-1989.

In April 1994, the Minister of Indian Affairs and Northern Development announced that DIAND and Health Canada would be conducting a review of the food mail service in order to find ways of addressing the issue of food affordability in isolated northern communities over the long term. All key stakeholders were to be consulted. This discussion paper has been prepared in order to assist in the consultation process. Specific questions on which the government is particularly interested in hearing from all interest groups concerned with food and nutrition in the North are highlighted throughout the text.

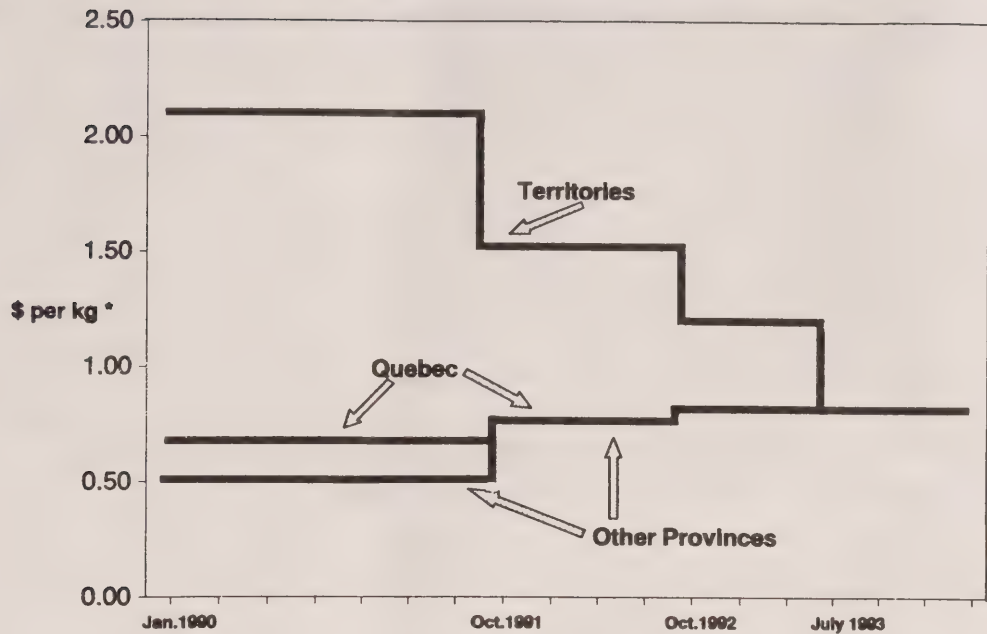
## **WHAT IS FOOD SECURITY?**

According to the Canadian Dietetic Association, food security is a condition in which all people at all times have access to safe, nutritionally adequate and personally acceptable foods in a manner which maintains human dignity.

The long distances from southern food suppliers to isolated northern communities and the severe climate sometimes result in poor quality and temporary shortages of perishable food in the stores in the North. The more fundamental food security concerns in the North, however, are related to people's ability to acquire food either from grocery stores or from the land. Given the pressure on the local resource base from increasing population and, in some cases, unsustainable commercial harvesting, the concern about contaminants in the food chain, the high costs involved in hunting, the lack of employment opportunities, the low wages paid for jobs for which most Aboriginal people are qualified, and the high levels of dependence on social assistance and other transfer payments, most people in these communities are finding it extremely difficult to meet basic needs. Food security has therefore become a major issue in many isolated northern communities.

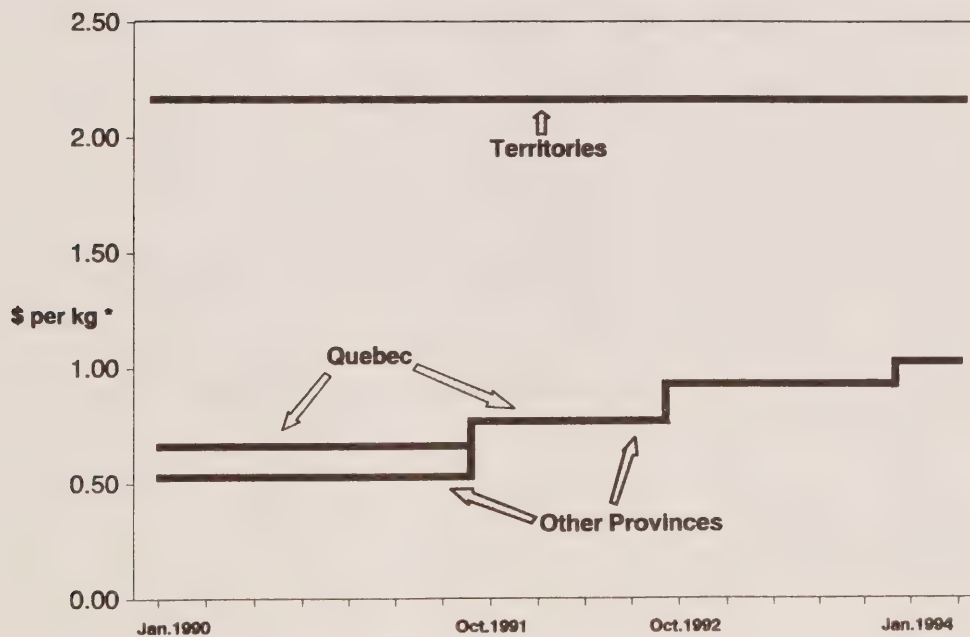


# **COMMERCIAL AIR STAGE POSTAL RATES FOR NUTRITIOUS PERISHABLE FOOD**



\* An additional charge of \$0.75 per parcel also applies.

# **COMMERCIAL AIR STAGE POSTAL RATES FOR NON - PERISHABLE ITEMS**



\* An additional charge of \$0.75 per parcel also applies.

The food security and nutrition problems in the North which are described below stem from many factors. Most incomes are so low, relative to the cost of food, that it would be impossible for many families to meet their nutritional requirements from store food. Even if country food is available and perceived to be safe for consumption, the costs of harvesting it can be prohibitive. In most isolated communities, a family of four on social assistance would have to spend between 85 and 110 percent of their total after-shelter income to purchase the basic Northern Food Basket which was developed to monitor the impact of the food mail program, even if they purchased each item in the basket at the lowest price available in the community. The situation for the "working poor" is little better. Many families also lack the literacy, numerical skills, nutritional knowledge and familiarity with preparing southern foods which would be required for meeting nutrition recommendations, particularly under such tight circumstances. The stress in coping with poverty, overcrowding, family violence, alcohol and substance abuse, cultural disruption, etc., may also lead to poor food choices and high consumption of "junk food."

## **THE EXPERIENCE SINCE 1991**

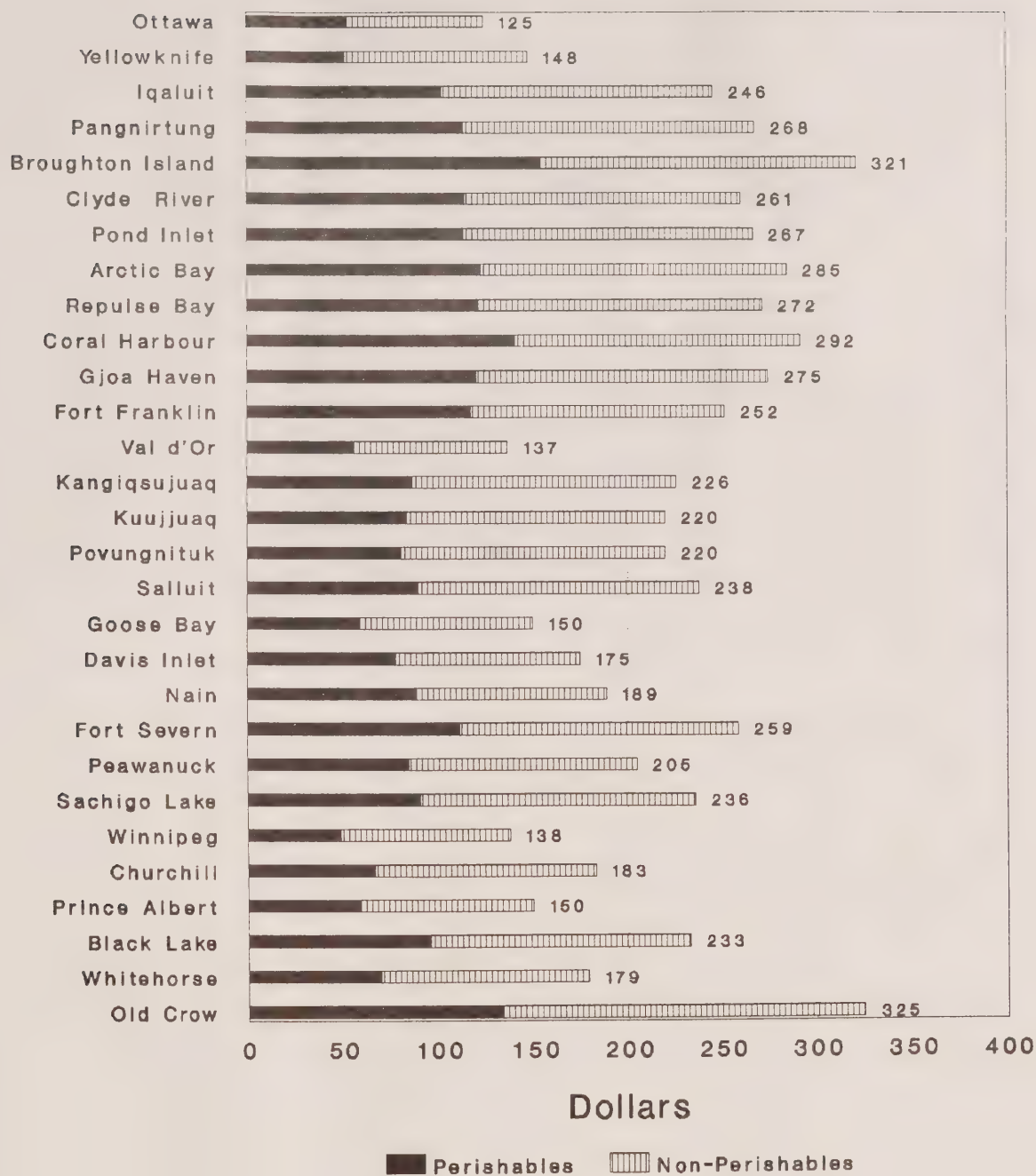
DIAND, in collaboration with Health Canada, has monitored the impact which the changes made in the program since 1991 have had on food prices. Findings are presented in the Appendix. Nutrition surveys were also undertaken in eight isolated communities in which merchants have been using the program: Pond Inlet, Arctic Bay, Repulse Bay, Coral Harbour and Gjoa Haven in the NWT, Nain and Davis Inlet in Labrador, and Fort Severn, the most northerly community in Ontario. Only Aboriginal women of child-bearing age were surveyed. Data from a similar survey of Quebec Inuit, conducted by Santé Québec, were also made available. These studies have documented both the seriousness of the food security and nutritional problems and the degree of effectiveness of the program.

### **Food prices**

In communities where there is effective retail competition, postage rates significantly affect food prices. In the NWT, reductions in postage rates for perishables have generally been passed on to consumers in communities where prices have been monitored. Price increases for perishables in northern Quebec, Ontario and Saskatchewan have been less than the increases in postage rates. However, in northern Labrador, where food mail service was extended in the winter of 1991-1992, the savings have not been passed on. Prices were increased as the Government of Newfoundland and Labrador was preparing to privatize the government-owned stores in those communities.



# Northern Food Basket Weekly Cost, 1993



Non-perishable food prices have been increasing in most communities. Increases in merchants' marine transportation costs may help to explain the increases in the cost of non-perishable food. The postage rate for these items also increased in the provinces as part of the government's policy intended to discourage the use of air stage service for non-perishable items. Increases in the cost of non-perishable food have offset the reductions in the cost of perishables which occurred in most NWT communities. In some communities, however, there has been a fairly significant reduction in the total cost of a basic Northern Food Basket for a family of four. The cost of this basket has decreased by over \$30 (about 11 percent) in Pond Inlet since 1991, while it has increased by between \$10 and \$25 in northern Quebec. In Broughton Island, however, where the local co-operative closed, leaving only one store in the community, the cost of the Northern Food Basket increased by \$40 between 1992 and 1993, despite the reduction in postage rates for perishables. Between 1993 and 1994, the cost of the basket in Broughton Island fell by \$25.

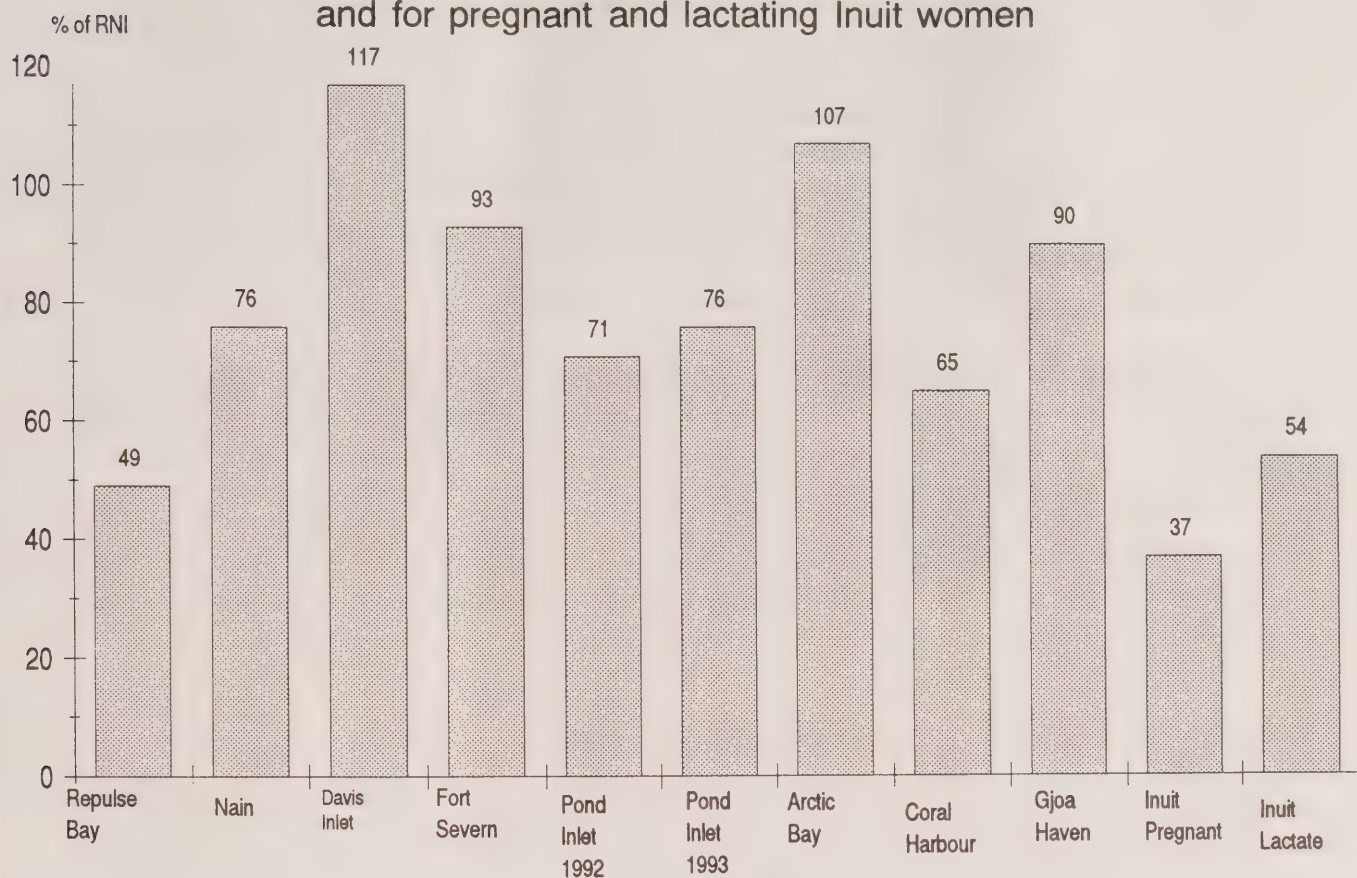
### **Food consumption and nutrition**

Consumption of perishable food in Inuit communities in the NWT has increased significantly since the postage rates began to decline in October 1991. In 1991-1992, Canada Post shipped 758 tonnes of perishable food (about 120 kilograms per capita) to the ten communities in the Baffin region which have traditionally been on the food mail system. The following year, when a further postage rate reduction occurred on October 1, 1992, shipments of perishable food to these communities increased to 1,040 tonnes (about 167 kilograms per capita). By comparison, Inuit communities in northern Quebec which have remained on the food mail system received shipments of perishable food amounting to about 180 kilograms per capita in 1992-1993. Consumption of store-bought perishable food in the North, however, is still less than half the level consumed in southern Canada.

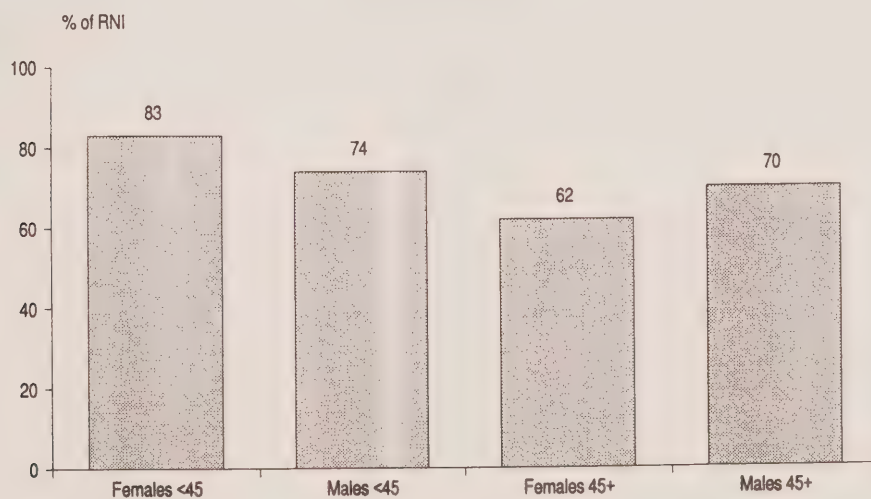
The relatively low consumption of perishable store-bought food among the Inuit was confirmed in the nutrition surveys undertaken in the NWT in 1992 and 1993. Country food is still the major source of protein and iron, and the average intake of these nutrients is generally adequate. However, the average intake of vitamin A, calcium and folacin is far below recommended levels – in some communities, less than half the recommended level among pregnant and breast-feeding women. The average consumption of sugar in all communities is extremely high. Surveys in Nain, Davis Inlet and Fort Severn demonstrated some of the same nutritional problems as those in the NWT, but community differences were also significant. In the Indian communities, the consumption of saturated fat from "junk food," lard and store meats, such as fried chicken, is at very unhealthy levels and obesity is a greater problem.



Folacin intake as a percentage of Recommended Nutrient Intake (RNI),  
for Aboriginal women aged 15–44 by community,  
and for pregnant and lactating Inuit women



Folacin intake as a percentage of Recommended Nutrient Intake (RNI),  
by age and sex, Quebec Inuit



Between 40 and 50 percent of women in these surveys reported that they were extremely concerned about not having enough money for food. This percentage in most communities was greater than the percentage who were extremely concerned about not being able to get country food, about the safety of country food, about alcohol and drug abuse and about family violence. Over half the women in all communities – and, in four communities, over 80 percent of the women – reported running out of money to buy food during the previous year, most commonly between two and four times a month. In many cases, these families did not have access to country food at the time. Those who reported that there was not enough to eat in the house during the past month ranged from 31 percent of women in Fort Severn to 68 percent in Pond Inlet. Anecdotal information from teachers and nurses in isolated communities suggests that many children are also malnourished.

Some of the same nutritional problems – specifically, a very low intake of calcium and inadequate folacin – were found in the Quebec Inuit nutrition survey. Nutritional problems were found to be greater among the older Inuit, who were included only in the Quebec survey, than among young women. The problems were less serious among young Quebec Inuit women than among those in the NWT. Nutritious food is more affordable in northern Quebec than in the NWT, and nutritious perishable food shipped by Canada Post is the major source of calcium, vitamin A and folacin in their diet. Consumption of non-perishables has been decreasing in Inuit communities in northern Quebec as the cost of these items has increased.

While the changes in the program since 1991 have generally helped to reduce prices of perishable food in the NWT, it would be unrealistic to expect this program on its own to solve the nutritional problems in these communities. The surveys have shown, however, that nutritional problems are less serious in communities where food is more affordable and in families who can afford a nutritious diet. Furthermore, with the higher food prices which would occur if the program were reduced or eliminated, the situation would undoubtedly be worse, both in the territories and in the northern parts of several provinces, unless alternative means of enabling people to meet their food requirements were found. Although the greatest nutritional risk for northern Aboriginal people may stem from the reduced consumption of traditional food, an affordable supply of nutritious southern food is essential if Northerners are to alleviate the nutritional and health problems associated with the diet which is currently typical in isolated communities.

## **ALTERNATIVE APPROACHES**

A transportation subsidy program delivered through Canada Post is only one means of addressing the problems of food affordability and food security in the north. While the current program generally results in food prices which are lower than they would otherwise be, there may be other effective ways of improving food security and nutrition. Different means of subsidizing transportation would be possible. Alternatively, the problem could be approached through enhancing income support measures for those most at risk. Diverting



some of the program's resources to investment in local food production, processing and intersettlement may also be an effective strategy.

### **Alternative transportation subsidies**

A subsidy could be provided either to southern distributors or to retail merchants in isolated communities to cover part of their air transportation costs. A government department such as DIAND would pay merchants a specified amount upon receipt of a claim form and the necessary documentation to prove that specified quantities of eligible goods had been shipped and received. Merchants would make arrangements directly with air carriers. Canada Post would not be involved.

A subsidy could also be provided to air carriers. Suppliers would then deal directly with air carriers, rather than with Canada Post, and some means would have to be found to ensure that the rates which air carriers charge their customers reflect the subsidy.

Although Canada Post would continue to provide mail service, it would charge fully compensatory postage rates for commercial parcel shipments to isolated communities. Provided that the necessary controls were in place, it may be possible to achieve essentially the same results in terms of merchants' transportation costs, net of the subsidy provided, for goods deemed to be eligible for such a replacement program. To achieve the same results as the current program, however, different levels of subsidy would be provided for each destination and for various types of goods. Until all the program details were worked out and negotiations with air carriers had been completed, it would be impossible to determine whether the current level of program expenditure, including administrative costs, would achieve the same net transportation costs to merchants or the same food costs to the consumer. However, the quality of service provided by air carriers to the shipper may be better if they dealt with each other directly, rather than with Canada Post as an intermediary.

**Question 1: Should the government replace the food mail program with a transportation subsidy provided directly to air carriers, to southern distributors, or to northern merchants?**

### **Income support**

Federal, provincial and territorial governments already provide various types of income support to northern residents through means such as social assistance, Unemployment Insurance, northern tax benefits and the Child Tax Benefit. Financial assistance for other necessities, such as housing, also indirectly contributes to food security by making more disposable income available for food. Some of these measures assist those on low income, while others benefit only the middle and upper income groups.

If the food mail program were eliminated, prices of food and other goods would increase, since merchants would have to use air cargo service, at whatever rates they could negotiate with the air carriers, rather than food mail service which is available to all isolated communities at the same rates for perishable food. Since air cargo rates are different for each destination, food would become much more expensive in the most remote communities, while less remote communities could expect little change. The cost of the perishable items in a basic Northern Food Basket which would feed a family of four for a week would be expected to increase from about \$100 at present to over \$250 in the most remote communities. Non-perishable items which are flown in rather than shipped by sealift, barge or winter roads, would also be affected.

Since most people in these communities would be able to afford much less perishable food than at present, governments could respond by providing additional income support in the form of social assistance, wage subsidies, isolation allowances, refundable tax credits, or other means. This assistance could be more narrowly targeted to those most in need, unlike the present program which subsidizes food for rich and poor alike. Since food prices would vary much more between communities than they do at present, the system would have to be sensitive to these differences if needy people in different communities were to be treated with a reasonable degree of equity.

Under this approach, the price of food and other goods in the store would reflect the true cost of getting it there. In many communities, few people, even among those working full time at a reasonable job, could afford to meet their needs without some form of income support. With sufficiently generous income support, designed in such a way as to not destroy the incentive to work, all people could perhaps be assured of sufficient money to meet their needs if they made wise consumer choices.

The cost of "junk food," which is not eligible for the food mail program, would remain the same, while the cost of nutritious perishable food would greatly increase in many communities. To avoid possible adverse effects on nutrition, it may be better to provide the additional income support required to offset the higher food costs in the form of food stamps or vouchers, exchangeable at the store only for nutritious food and perhaps other essential items.

**Question 2: Should the government replace the food mail program with targeted income support measures, scaled to reflect local prices? If so, what form of income support should be provided, and through what level of government?**

### **Local food production**

A large subsidy on transportation of southern perishable food may undermine the incentive to produce, process and consume food which can be produced locally, whether from the land or using non-perishable ingredients which can be brought in more economically by sealift. The



nutritional benefits of traditional or country food, compared with southern alternatives, are well known, and the harvesting of country food is important for social and cultural reasons as well.

In some regions, the federal, provincial and territorial governments support country food production for domestic consumption through hunter income support programs and for the market through various economic development programs. Whether governments have the best mix of support for the transportation of food from the south, local food production and processing, and intersettlement trade is a matter for serious consideration. It may be possible that the food mail program itself could be adapted to support northern production and trade in food products which can realistically be produced in the North, provided that resources are managed on a sustainable basis.

**Question 3: Should any of the money spent on subsidizing transportation of food to the North be reallocated to support northern food production and intersettlement trade? Are there success stories in this area to serve as a cost-effective model?**

## **WHAT IF THE FOOD MAIL PROGRAM CONTINUES?**

If the government decides to retain the food mail program, important decisions must be made to determine exactly how the program works. Decisions about program details, as well as the total level of funding for the program, will affect the cost of food and other goods in different regions, the operations of northern and southern businesses, as well as the nutritional status and health of residents of isolated communities.

### **Postage rate structure**

The funding currently provides a uniform postage rate of \$0.80 per kilogram for shipping nutritious perishable food, and two different rates for other goods: \$1.00 per kilogram in the provinces and \$2.15 per kilogram in the territories. For all parcels, regardless of size, contents, or destination, there is an additional charge of \$0.75 per parcel. Perishable food can be mailed only in the designated entry points applicable to each destination. Parcels other than food can be mailed in other locations, provided that an additional charge of \$0.25 per kilogram is paid to cover ground transportation, which is not covered by government funding.

This rate structure has tended to equalize the cost of nutritious perishable food across the North. However, there are local price variations which reflect differences in retail competition, local transportation costs and prices in the southern supply centres. The cost of non-perishable food also varies, depending partly upon the costs of resupply by searift, barge and winter roads in each community.

Uniform postage rates have at least the appearance of equitable treatment, but they are not necessarily equitable if other circumstances would justify charging higher rates in some regions than others.

**Question 4: Is a uniform postage rate for perishable food reasonable?**

**Question 5: If the program continues, should the gap between provincial and territorial rates for non-perishable food and other goods also be reduced or eliminated, assuming a lower, constant, or increased funding level?**

### **Special circumstances**

Another equality-of-service issue concerns communities which have neither a winter road nor summer marine service which could be used for non-perishable items. Discouraging the use of air stage service for non-perishable food by charging higher postage rates for these items may be unreasonable for the few communities in this situation. Allowing these communities to receive non-perishable food at the perishable food rate would not have a significant effect on the postage rates which would have to be charged throughout the system.

Similarly, special consideration may be warranted for isolated communities in the Beaufort region for which the relevant food entry point, Inuvik, is itself a remote community. Food in Inuvik costs about 75 percent more than in the south. A lower postage rate for the communities served from Inuvik would provide more equitable treatment and avoid a situation where prices in these communities are way out of line with the rest of the North. Alternatively, they could be provided with food mail service from Yellowknife as their food entry point.

**Question 6: Should special consideration be given to communities which have no surface transportation at any time during the year, or for communities served from entry points which are themselves high-cost remote communities?**

### **Focusing the funding**

Since 1991, the government has gradually focused more of the funding on nutritious perishable food, while still allowing non-perishable food and most non-food items to be sent at higher postage rates. By 1993-1994, about \$11 million was spent on shipping perishable food, \$1 million on non-perishable food, and \$2 million on non-food items.

Dangerous goods, tobacco, alcohol and foods of little nutritional value, as defined for the purposes of the program, are not accepted on the system. However, apart from favouring nutritious perishable food over non-perishable food and non-food items, the program makes no further distinction among food products, or between various non-food items. If funding



for certain products were reduced or eliminated, rate reductions for nutritious perishable food would be possible. The government may even be providing a disservice to the communities by subsidizing certain prepared perishable foods which, though not on the list of foods of little nutritional value, are not the best food choices, particularly for people on low incomes. Postage rate reductions could have beneficial impacts on health and nutrition, particularly if they were focused on foods which would address the specific nutritional problems which have been documented in these communities. Such reductions would be most effective if carried out in a manner acceptable to the communities concerned, with the co-operation of merchants, after consultation with all affected interest groups, and if they were accompanied by related nutrition education initiatives. Program refinements to the way in which the funding is applied may best be tried on an experimental basis in one or two communities, and the results carefully monitored, before proceeding with such changes across the board.

**Question 7: Should there be a special postage rate for perishable foods which are the best and most economical sources of essential nutrients which are not being consumed at recommended levels in the North? If so, and the program funds are not increased, where should the funding trade-offs occur?**

Certain essential non-food items, especially those which cannot be sent efficiently by sealift, may be just as worthy of an air transportation subsidy as many non-perishable food items. The sealift is most appropriate for items which have a relatively low value for their weight, particularly if they do not require heated storage in cold climates. The sealift makes less sense for low-density, high-priced or non-standard items.

Even without the benefit of a pilot project, it may be reasonable to declare additional types of non-food items ineligible for this program, provided that any savings achieved were not offset by additional administrative costs. These goods could include those which people in the communities consider non-essential and perhaps essential items most economically resupplied by sealift.

**Question 8: Should the funding be eliminated from all non-essential non-food items, or from essential non-food items which can be most efficiently sent by sealift, barge and winter roads? If so, is it possible to reach a consensus on a definition of essential non-food items which should be eligible for the program?**

## **EXPECTATIONS**

Some Canadians may feel that people who choose to live in isolated communities should not expect Canadian taxpayers to subsidize the shipment of perishable food or other goods to them by air, apart from building and maintaining the airstrips required. In their view, only those with high incomes, isolated post allowances or cargo allowances should expect to eat southern perishable food, while most Aboriginal people should live on non-perishable food and traditional food as they did 25 years ago before food mail service began. Eliminating

this program would send a strong signal to people in these communities that they will have to rely more on their own resources to meet their food requirements.

Since the government resettled nomadic people who were self-sufficient in food and other goods into permanent communities in order to provide them with education, health care and other services, other Canadians may feel that the state now has an obligation to ensure that they can meet their food requirements, and that Northerners should not be expected to live solely on traditional food when it is available and on canned and dry food which can be resupplied by sealift, barge or winter roads. Such taxpayers may feel it is both more ethical and more cost-effective to provide affordable nutritious food than it is to treat the additional nutrition-related diseases caused by not being able to afford an adequate diet.

Northerners may also differ in their expectations in this regard. While very few would wish to rely on the traditional diet, supplemented solely by non-perishable items, many may be prepared to accept further restrictions on the range of perishable foods which should be subsidized, particularly if the cost of the best basic foods could be brought down. A right to fresh milk, carrots, apples and frozen chicken may seem, both to northerners and to Canadian taxpayers, as more legitimate than a right to subsidized, fully prepared, frozen Chinese food, fried chicken and chips, or meat pies. Others may see any restrictions on what foods are subsidized as an unwarranted manipulation of personal decisions on food consumption.

Canadians have not reached a consensus on what level of income support should be provided for basic needs such as food, clothing and shelter for people who cannot or do not earn enough income to meet these needs. National debate on such issues can provide some guidance, but the unique circumstances and opportunities in isolated northern communities mean that it may be necessary to continue special measures such as a food transportation subsidy to achieve a reasonable standard of food security in the North. If a reasonable standard could be agreed upon, then attention could be focused on the best combination of measures which would make it possible for all northern residents to achieve food security if they manage their money responsibly.

## **POSSIBILITIES FOR PROGRAM TRANSFER**

This program exists primarily for the health and well-being of Aboriginal people. To promote Aboriginal self-government and public government in the North, the federal government has been transferring health services to Aboriginal organizations and regional health boards. The Liberal platform in 1993 proclaimed the recognition of the inherent right to self-government as the cornerstone of a new approach to relations with Aboriginal peoples, and included, as an immediate first step, the initiation of a "comprehensive health policy, designed by and for Aboriginal peoples, which supports an integrated approach to physical and mental health issues and incorporates traditional healing methods."



Transferring responsibility for a program which subsidizes the transportation of nutritious food to isolated Aboriginal communities could, therefore, be seen as an important component of such a policy. One of the difficulties of transferring the program, however, is that there is no institution representing isolated Inuit and Indian communities in the territories and in the northern parts of the five provinces which benefit from this program. Another difficulty is that this program is not exclusively an Aboriginal program, and there are both Aboriginal and non-Aboriginal interests at stake in the air transportation sector, in the wholesale and retail sectors, and among consumers. Transferring responsibility for administration of the program to an independent organization on which all these interests would be represented could also be considered. Alternatively, funding for the program could be transferred on a piecemeal basis to provincial and territorial governments who could then choose to deal with the problem in whatever manner they see fit.

Administrative decisions on this program, which affect the cost of living of people all across the North, now rest with the Minister and the Department of Indian Affairs and Northern Development which manages the program, working closely with Health Canada. In keeping with commitments made in the Red Book, the government wishes to ensure that Aboriginal people are fully involved in decisions affecting their lives. The consultation process undertaken before making longer-term decisions about the food mail program is another demonstration of that commitment. If Aboriginal people feel that devolution of this program would be in their interest, the government is willing to consider this possibility. If they feel that administration by DIAND or Health Canada is preferable, provided that adequate consultation is undertaken, then the government will continue to administer this program or a replacement program in ways which most people feel will achieve the greatest benefit for northern residents.

**Question 9: Should the government seek to transfer the food mail program to provincial and territorial governments, to one or more Aboriginal organizations, or to an independent institution?**

## CONCLUSION

From a national perspective, the Northern Air Stage Program is not a large program. It costs each Canadian taxpayer an average of about one cent a week. To the residents of the most isolated communities in Canada, however, the program makes an enormous difference in the cost of food, particularly perishable food. Even with this \$14.1 million program in place, and expenditures of over \$100 million per year on social assistance and other income support programs in these communities, it is clear that many families in these communities are not meeting their basic food needs for a variety of reasons. The same is true, of course, for many poor families in the south. Whether a poor family is in a more difficult situation in an isolated northern community or in a large or small community in the south is debatable, but food transportation costs have little to do with the problems of food security in the south.

With rapidly increasing populations and escalating health care costs in isolated communities, and fiscal pressures on all levels of government, the most cost-effective ways must be found to address the issue of food affordability in these communities over the long term.

Governments alone will not solve the nutritional problems in these communities, although they bear virtually all the cost of treating nutrition-related diseases. Individuals must accept responsibility for their own choices as consumers. However, with the most effective combination of measures, it should be possible for all northern residents to have access at all times to safe, nutritionally adequate and personally acceptable foods in a manner which maintains human dignity.

DIAND and Health Canada are, therefore, most interested in the views of all Canadians, particularly northern residents, businesses, health and social service agencies and Aboriginal organizations, on the future of the Northern Air Stage Program and other approaches to achieving food security in northern Canada. Regional meetings to discuss the program will be held in the fall of 1994. Written views on the questions asked in this paper or on any other matters related to this program may be sent either to DIAND or to Health Canada at the following addresses:

Economic Development Directorate  
Sectoral Policy and  
Program Devolution Branch  
Department of Indian Affairs  
and Northern Development  
OTTAWA ON K1A 0H4  
(tel: 819-997-3142)  
(fax: 819-994-6769)

Indian and Northern Health  
Services Directorate  
Medical Services Branch  
Health Canada  
Jeanne Mance Building  
OTTAWA ON K1A 0L3  
(tel: 613-957-7697)  
(fax: 613-941-8904)



## **APPENDIX**





**Cost of Perishable Items in the Northern Food Basket (\$)**

	1990 Spring	1991 Sept.	1992 Spring	1993 Spring	1993 Fall	1994 Spring
Iqaluit	109	120	114	103	94	
Pangnirtung	139		119	114		
Broughton Island	147		131	154		112
Clyde River		135	112	115		
Pond Inlet	150	147	122	114	100	
Arctic Bay	146		143	123	117	
Winnipeg		48	49	49		
Churchill		69	69	67		
Rankin Inlet	110			114		
Repulse Bay	136	146	136	122		
Coral Harbour				142		121
Yellowknife	61	62	66	52	53	
Gjoa Haven	145	144	125	121	113	
Fort Franklin		123	125	118		
Val-d'Or	44	51	57	56		
Povungnituk	83	79	85	81		87
Salluit	91			90		82
Kangiqsujuaq		78	83	87		
Kuujuaq	76	81	78	84		79
St. John's	56		53	54		
Goose Bay	69	60*	62	59		
Rigolet	64*	63*	87	81		
Davis Inlet			70	78		
Nain	66	62*	62	89		
Ottawa	47	50	52	53	51	
Thunder Bay		53	55	51		
Timmins		48	56	46		
Kapuskasing		48	57	49		
Pickle Lake				55		
Peawanuck		87		85		
Fort Severn	104	109	109	112		112
Sachigo Lake	94		90	91		
Regina		49	54			
Prince Albert				59		
La Ronge		58	59			
Black Lake		102	100	96		
Whitehorse				70		
Inuvik				92		
Old Crow		132	134	133		

\* summer price (regular marine service available)

**Cost of Non-perishable Items in the Northern Food Basket (\$)**

	1990 Spring	1991 Sept.	1992 Spring	1993 Spring	1993 Fall	1994 Spring
Iqaluit	131	143	145	143	148	
Pangnirtung	126		151	154		
Broughton Island	127		151	167		182
Clyde River		152	151	146		
Pond Inlet	140	146	141	153	160	
Arctic Bay	147		147	162	165	
Winnipeg		80	84	89		
Churchill		104	106	116		
Rankin Inlet	146			147		
Repulse Bay	145	147	143	150		
Coral Harbour				151		150
Yellowknife	94	106	104	95	100	
Gjoa Haven	139	174	152	153	161	
Fort Franklin		133	119	133		
Val-d'Or	81	79	76	82		
Povungnituk	116	130	136	139		149
Salluit	119			149		146
Kangiqsujuaq		133	130	139		
Kuuujuaq	115	120	124	136		132
St. John's	79		78	82		
Goose Bay	90	90*	91	91		
Rigolet	101*	97*	116	115		
Davis Inlet			96	97		
Nain	86	87*	96	100		
Ottawa	66	71	67	73	74	
Thunder Bay		79	88	78		
Timmins		75	73	75		
Kapuskasing		102	89	97		
Pickle Lake				108		
Peawanuck		137		120		
Sachigo Lake	127		135	145		
Fort Severn	140	155	145	147		151
Regina		75	82			
Prince Albert				91		
La Ronge		97	102			
Black Lake		127	160	137		
Whitehorse				109		
Inuvik				124		
Old Crow		217	209	191		

\* summer price (regular marine service available)



**Cost of the Northern Food Basket (\$)**

	1990 Spring	1991 Sept.	1992 Spring	1993 Spring	1993 Fall	1994 Spring
Iqaluit	240	263	259	246	242	
Pangnirtung	265		270	268		
Broughton Island	274		281	321		294
Clyde River		287	263	261		
Pond Inlet	290	292	264	267	260	
Arctic Bay	293		291	285	281	
Winnipeg		127	133	138		
Churchill		173	175	182		
Rankin Inlet	256			261		
Repulse Bay	281	293	280	272		
Coral Harbour				292		271
Yellowknife	155	168	170	148	154	
Gjoa Haven	284	318	277	275	274	
Fort Franklin		256	244	252		
Val-d'Or	125	130	133	137		
Povungnituk	198	209	221	220		236
Salluit	211			238		228
Kangiqsujaq		210	213	226		
Kuujuaq	191	201	202	220		211
St. John's	134		131	136		
Goose Bay	158	151*	153	150		
Rigolet	165*	160*	203	196		
Davis Inlet			166	175		
Nain	152	149*	158	189		
Ottawa	113	121	119	125	125	
Thunder Bay		132	143	129		
Timmins		123	129	122		
Kapuskasing		151	146	146		
Pickle Lake				163		
Peawanuck		224		205		
Fort Severn	244	264	255	259		263
Sachigo Lake	221		225	236		
Regina		123	136			
Prince Albert				150		
La Ronge		154	162			
Black Lake		229	261	233		
Whitehorse				179		
Inuvik				216		
Old Crow		349	342	325		

\* summer price (regular marine service available)

Mean macronutrient intake as a percentage of Recommended Nutrient Intake (RNI) for Aboriginal women aged 15–44, by community, based on 24-hour diet recall

Nutrient Intake 1992	RNI	Repulse Bay		Pond Inlet		Nain		Davis Inlet		Fort Severn	
		Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI
Sample size (N)		62		116		114		57		48	
Calories	1900.0	2015.2	106%	2147.4	113%	1970.2	104%	3415.9	180%	2296.6	121%
			% of calories		% of calories		% of calories		% of calories		% of calories
Protein (g)	51.0	110.1	22%	133.6	25%	107.2	22%	185.4	22%	96.9	17%
Carbohydrates (g)		246.5	49%	221.1	41%	232.0	47%	309.5	36%	232.5	40%
Fat (g)		64.7	29%	84.6	35%	64.1	29%	157.0	41%	108.5	42%
Saturated Fats (g)		23.4	10%	26.1	11%	20.9	10%	48.3	13%	37.3	15%
Cholesterol (mg)		282.3		431.0		352.5		831.7		418.1	
Fibre (g)		5.1		7.0		6.8		12.0		7.3	

Nutrient Intake 1993	RNI	Arctic Bay		Pond Inlet		Coral Harbour		Gjoa Haven	
		Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI
Sample size (N)		74		123		78		121	
Calories	1900.0	2176.5	114%	2156.5	113%	2297.5	121%	2758.5	145%
			% of calories		% of calories		% of calories		% of calories
Protein (g)	51.0	119.1	22%	112.2	21%	115.2	20%	116.7	17%
Carbohydrates (g)		237.9	44%	260.9	48%	267.0	46%	340.8	49%
Fat (g)		85.7	35%	74.5	31%	87.6	34%	105.4	34%
Saturated Fats (g)		26.4	11%	22.1	9%	29.9	12%	30.7	10%
Cholesterol (mg)		375.6		331.7		339.7		371.2	
Fibre (g)		8.3		8.0		8.2		9.7	



Mean micronutrient intake as a percentage of Recommended Nutrient Intake (RNI)  
for Aboriginal women aged 15-44, by community, based on 24-hour diet recall

Nutrient Intake 1992	RNI	Repulse Bay		Pond Inlet		Nain		Davis Inlet		Fort Severn	
		Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI
Iron (mg)	13.0	24.3	187%	28.2	217%	20.7	159%	29.3	225%	14.5	112%
Calcium (mg)	700.0	385.7	55%	488.2	70%	406.1	58%	639.2	91%	773.9	111%
Vitamin A (RE)	800.0	208.3	26%	692.6	87%	387.9	48%	1317.6	165%	610.8	76%
Vitamin C (mg)*	45.0	49.8	111%	82.5	183%	92.8	206%	76.4	170%	80.7	179%
Folacin (µg)	185.0	90.1	49%	131.2	71%	140.2	76%	215.9	117%	172.4	93%
Thiamin (mg)	0.8	1.2	150%	1.5	188%	1.3	156%	2.3	286%	1.1	143%
Niacin (NE)	13.7	42.9	313%	49.3	360%	39.7	290%	68.0	496%	36.0	263%
B12 (µg)	1.0	11.3	1130%	14.8	1480%	10.9	1090%	19.3	1930%	4.8	481%
B6 (mg)	0.8	1.0	125%	1.4	175%	1.3	162%	2.2	275%	1.5	187%
Caffeine (mg)		769.0		324.6		264.2		212.0		331.2	

Nutrient Intake 1993	RNI	Arctic Bay		Pond Inlet		Coral Harbour		Gjoa Haven	
		Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI	Mean intake	% RNI
Iron (mg)	13.0	22.7	174%	29.3	225%	20.8	160%	17.9	137%
Calcium (mg)	700.0	520.1	74%	474.0	68%	541.4	77%	758.3	108%
Vitamin A (RE)	800.0	654.7	82%	519.5	65%	511.6	64%	643.5	80%
Vitamin C (mg)*	45.0	67.1	149%	58.6	130%	76.6	170%	161.8	360%
Folacin (µg)	185.0	198.0	107%	141.3	76%	119.9	65%	165.7	90%
Thiamin (mg)	0.8	1.4	181%	1.5	184%	1.6	200%	1.8	219%
Niacin (NE)	13.7	49.3	360%	46.7	341%	48.4	353%	50.2	366%
B12 (µg)	1.0	13.2	1321%	14.0	1396%	13.5	1346%	14.5	1453%
B6 (mg)	0.8	1.5	187%	1.3	162%	1.5	187%	1.6	200%
Caffeine (mg)		284.0		415.7		614.2		331.3	

\*Includes additional requirement for smokers

Mean nutrient intake as a percentage of Recommended Nutrient Intake (RNI),  
by age and sex, Quebec Inuit, based on 24-hour diet recall, 1992

**A. Macronutrient Intake**

	Females 18-44			Males 18-44			Females 45-74			Males 45-74		
	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI
Sample size (N)		156			134			78			57	
Calories	1900.0	1829.4	96%	2700.0	2272.0	84%	1800.0	1623.0	90%	2300.0	2289.8	99%
			% of calories			% of calories			% of calories			% of calories
Protein (g)	51.0	89.1	19%	64.0	105.7	19%	54.0	86.3	21%	63.0	134.8	24%
Carbohydrates (g)		199.9	44%		235.1	41%		147.3	36%		199.1	35%
Fat (g)		76.2	37%		93.7	37%		79.5	44%		105.0	41%
Saturated Fats (g)		21.9	11%		28.4	11%		21.4	12%		27.5	11%
Cholesterol (mg)		321.2			385.1			291.2			396.2	
Fibre (g)		7.4			7.6			5.2			6.3	

**B. Micronutrient Intake**

	Females under 45			Males under 45			Females 45 and over			Males 45 and over		
	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI	RNI	Mean intake	% RNI
Iron (mg)	13.0	15.8	121%	9.0	17.3	193%	8.0	16.7	209%	9.0	25.5	283%
Calcium (mg)	700.0	383.7	55%	800.0	522.8	65%	800.0	318.0	40%	800.0	397.1	50%
Vitamin A (RE)	800.0	791.5	99%	1000.0	775.8	78%	800.0	590.3	74%	1000.0	737.7	74%
Vitamin C (mg)*	45.0	67.8	151%	60.0	70.4	117%	45.0	29.7	66%	60.0	35.1	59%
Folicin (µg)	185.0	152.9	83%	230.0	171.2	74%	195.0	120.9	62%	230.0	160.3	70%
Thiamin (mg)	0.8	1.3	158%	1.1	1.6	130%	0.7	1.2	171%	0.9	1.9	206%
Niacin (NE)	13.7	39.2	286%	19.4	45.6	235%	13.0	37.5	288%	16.6	55.6	335%
B12 (µg)	1.0	12.5	1254%	1.0	13.2	1318%	1.0	13.4	1342%	1.0	16.6	1656%
B6 (mg)	0.8	1.2	150%	1.0	1.5	150%	0.8	0.9	112%	0.9	1.4	156%
Caffeine (mg)		300.2			316.7			286.4			339.1	











